

PROPOSED CONSTITUTIONAL AMENDMENTS

SENATE JOINT RESOLUTIONS

PROPOSED CONSTITUTIONAL AMENDMENTS—INTEREST— GENERAL OBLIGATION BONDS

S. J. R. No. 6

Proposing a constitutional amendment relating to the maximum interest rate allowed on state general obligation bonds.

Be it resolved by the Legislature of the State of Texas:

Section 1. That Article III, Section 65, of the Texas Constitution be amended to read as follows:

"Section 65. (a) Wherever the Constitution authorizes an agency, instrumentality, or subdivision of the State to issue bonds and specifies the maximum rate of interest which may be paid on such bonds issued pursuant to such constitutional authority, such bonds may bear interest at rates not to exceed a weighted average annual interest rate of 12% unless otherwise provided by Subsection (b) of this section. All Constitutional provisions specifically setting rates in conflict with this provision are hereby repealed.

"(b) Bonds issued by the Veterans' Land Board after the effective date of this subsection bear interest at a rate or rates determined by the board, but the rate or rates may not exceed a net effective interest rate of 10% per year unless otherwise provided by law. A statute that is in effect on the effective date of this subsection and that sets as a maximum interest rate payable on bonds issued by the Veterans' Land Board a rate different from the maximum rate provided by this subsection is ineffective unless reenacted by the legislature after that date."

Sec. 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held on November 2, 1982. The ballot shall be printed to provide for voting for or against the proposition: "The constitutional amendment increasing the maximum interest rate allowed on state general obligation bonds to a weighted average annual interest rate of 12%."

Passed the Senate on May 27, 1982: Yeas 30, Nays 0; May 28, 1982, Senate refused to concur in House amendments and requested appointment of Conference Committee; May 28, 1982, House granted request of the Senate; May 28, 1982, Senate adopted Conference Committee Report: Yeas 30, Nays 0; passed the House, with amendments, on May 28, 1982: Yeas 124, Nays 21, one present not voting; May 28, 1982, House granted request of the Senate for appointment of Conference Committee; May 28, 1982, House adopted Conference Committee Report: Yeas 131, Nays 1, one present not voting.

Approved June 4, 1982.

Filed with the Secretary of State, June 4, 1982.